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# Iraq

## Status Report

January 27, 2010



Bureau of Near Eastern Affairs  
U.S. Department of State

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## HIGHLIGHTS



- **Iraqi Court Asked to Examine Election Ban (*POLITICAL*, page 4)**
- **Multiple Baghdad Bombings Leave 54 Dead and Over 150 Wounded (*SECURITY*, page 9)**
- **Iraqi Parliament Passed 2010 Budget (*ECONOMIC*, page 15)**
- **Hakim Visits Lebanon to Meet with Lebanese Lawmakers (*DIPLOMATIC*, page 17)**

## POLITICAL - Governance & Legislation

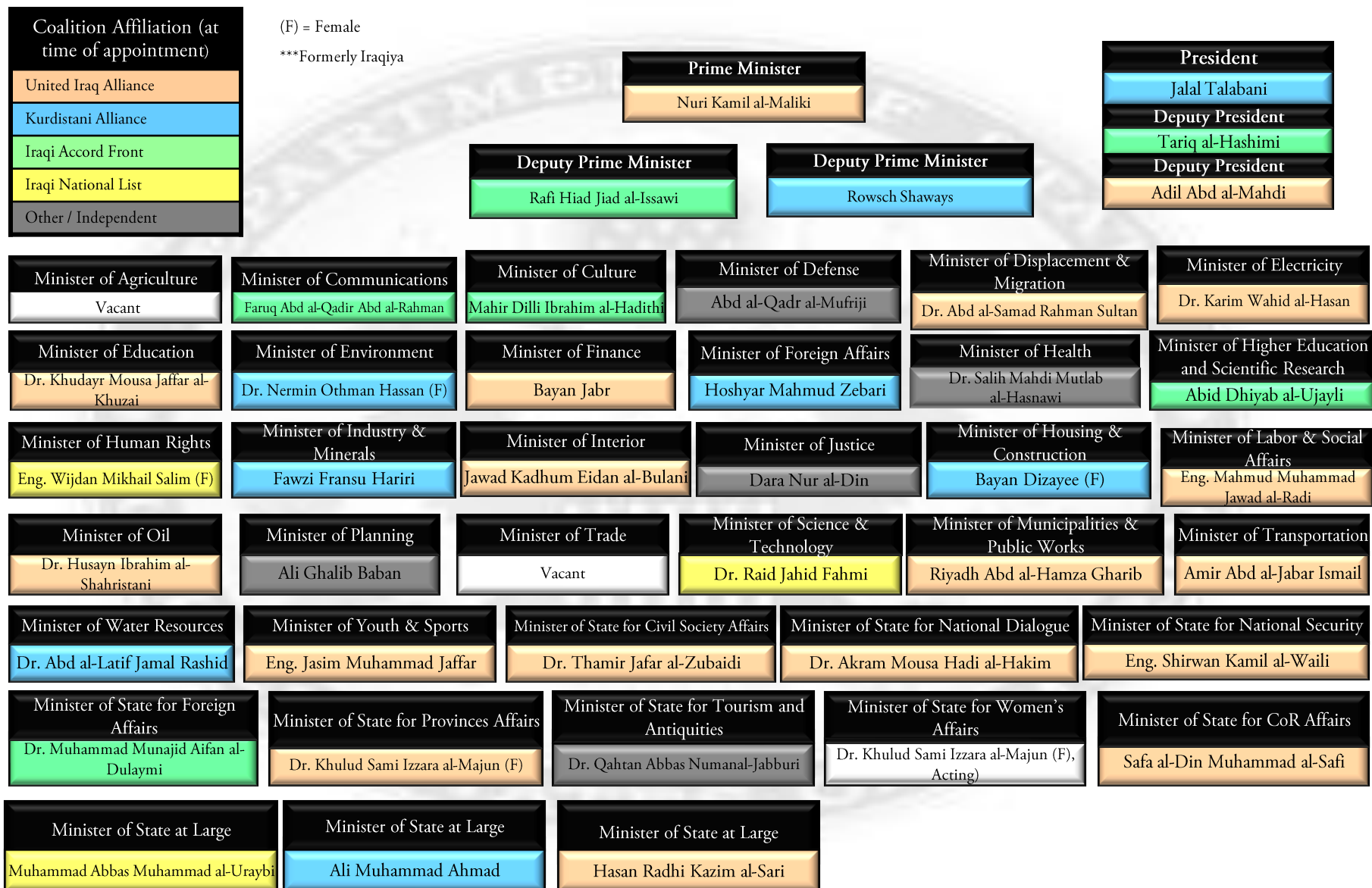


### Court asked to examine election ban

#### Court to Review Election Ban:

- The Iraqi judicial system is reviewing appeals stemming from the decision by the Accountability and Justice Commission to ban a number of candidates from participating in the March parliamentary elections.

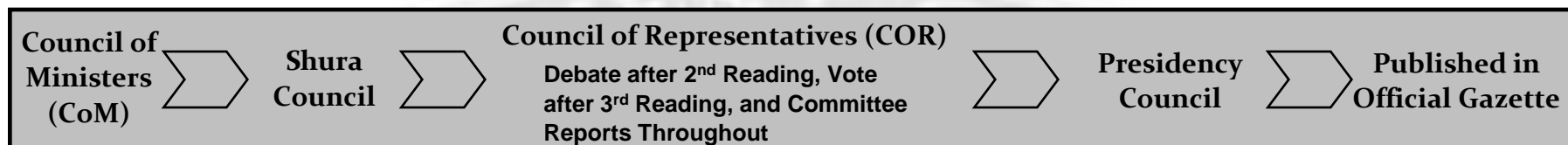
# POLITICAL – Government of Iraq





## POLITICAL – Key Legislative Issues

### Legislative Process



- **Hydrocarbons Package:** The Framework Law was resubmitted to the Oil and Gas Committee on October 26, 2008 and then returned to the Council of Ministers. There has been no progress on the other three laws in the package.
- **NGO Law:** This law will regulate the operations and funding of Non-Governmental Organizations operating within Iraq. It received its first reading in the Council of Representatives on April 20, 2009.
- **National Elections Law:** The amended election law was approved by the Presidency Council on December 6.

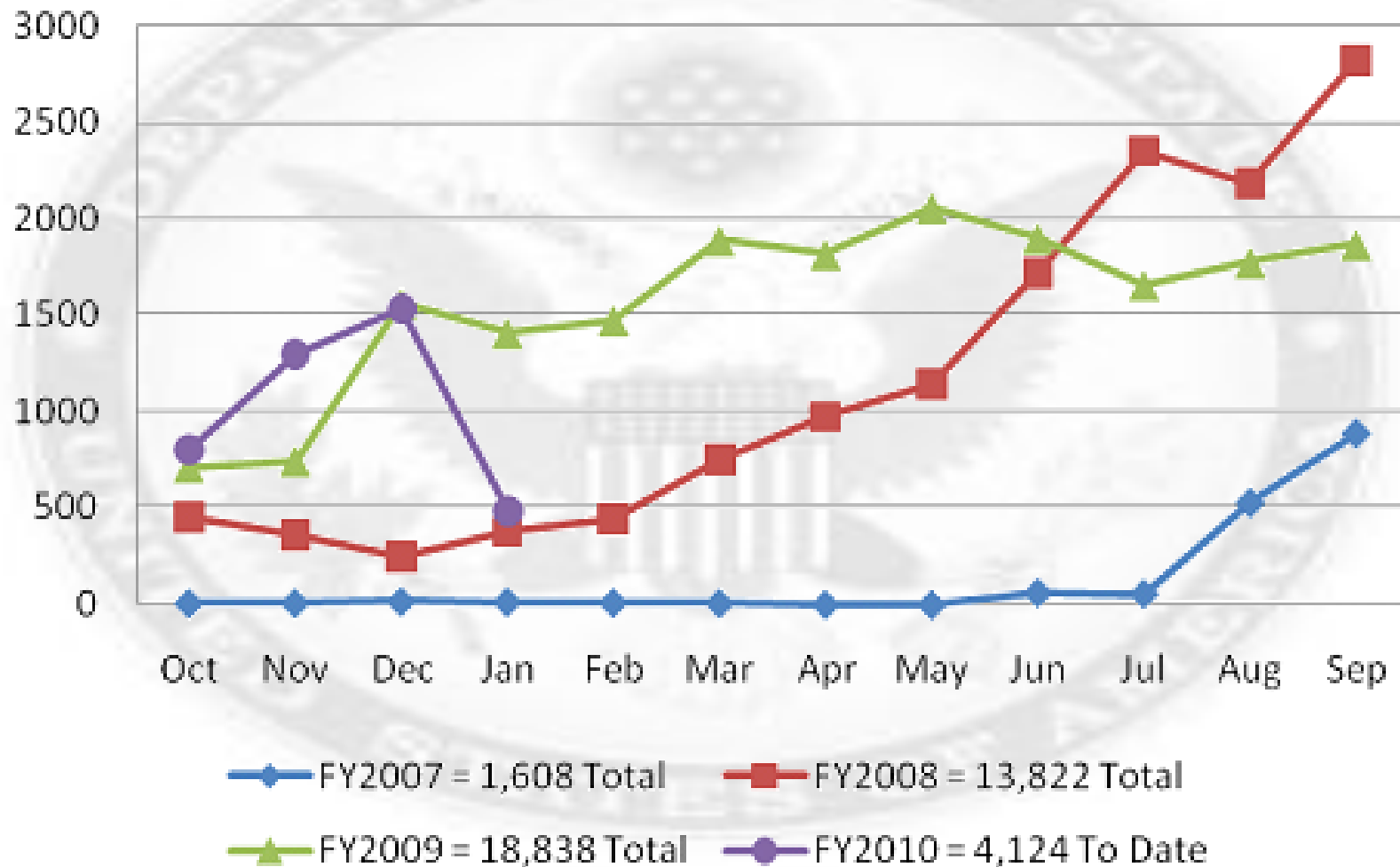
## POLITICAL - Refugee Update



- **There are approximately 295,000 Iraqi refugees currently registered with UNHCR in neighboring countries. There are likely significant numbers of unregistered refugees as well. UNHCR reports that 1.5 million Iraqis displaced by sectarian violence following the Samarra Mosque bombing of February 2006 remain internally displaced in Iraq.**
- **In FY09, the State Department's Bureau of Population, Refugees and Migration contributed \$ 303.4 million to international organizations and nongovernmental organizations to assist displaced Iraqis inside the country and in the region.**
- **Since the program's inception in FY07, 39,136 Iraqi refugees have been admitted for U.S. resettlement. The U.S. admitted 18,838 Iraqi refugees in FY09.**
- **As of September 2009, a total of 1,606 Special Immigrant Visa (SIVs) have been issued for Iraqi translators and interpreters (and their dependents) since FY07 (under the Section 1059 program).**
- **As of September 2009, a total of 3,028 SIVs have been issued for Iraqis employed by or on behalf of the U.S. government (and their dependents) since FY08 (under the Section 1244 program).**
- **Secretary of State Hillary Clinton announced July 24 that the United States was contributing more than \$100 million in new assistance to support the return and reintegration of displaced Iraqis.**

**POLITICAL - Refugee Update**

## Iraqi Admissions to the U.S.



## SECURITY – Situation Update



### GOI and ISF intensify efforts to combat high profile attacks amidst new AQI tactics

#### AQI Using New Tactics to Conduct Bombings:

- The Commander of U.S. Forces-Iraq, General Odierno, told reporters at a press briefing on January 26 that intelligence reports indicate that al-Qaida in Iraq (AQI) is using new tactics to conduct their attacks. Though evidence is still being assessed, Odierno stated that he believes the January 25 bombings were the result of AQI and that new tactics could be seen in the recent bombings. "What happened was there were two cars," Odierno said. "The first car came in with small arms fire, followed by the suicide bomber. We have not seen that before." He said AQI is doing everything they can to draw a lot of attention and inflict the most damage in an effort to have people question the Iraqi government.

#### Multiple Baghdad Bombings Leave 54 Dead and Over 150 Wounded:

- Ministry of Interior officials reported on January 26 that 18 people were killed and 80 others wounded when a vehicle-borne suicide bomber detonated in front of an Interior Ministry forensics office. According to a police source, the attack occurred at the traffic circle near a security checkpoint on al-Taharyiat Square. Many of the killed or injured were believed to be Iraqi Police. This attack comes just a day after a coordinated series of three bombings which detonated near several hotels in Baghdad left 36 dead and 71 wounded. The Commander of U.S. Forces-Iraq, General Odierno, said that it was significant that these attacks were smaller than in previous bombings which meant that coordinated security efforts between ISF and U.S. Forces were hampering the terrorist's ability to operate.

## SECURITY – Situation Update



GOI and ISF intensify efforts to combat high profile attacks amidst new AQI tactics

### **Iraq Investigates Faulty British Bomb Detection Device:**

The Government of Iraq has launched an investigation into a British-based firm, ATSD, for its sale of a bomb-detection device to Iraq that reportedly does not work. The device is the ADE651, known as the 'magic wand', that uses a series of interchangeable credit-card-size paper inserts said to be able to detect explosives such as C4 and TNT, as well as other weapons. "We will start to gather evidence to find out how this piece of equipment was sold to Iraq," the head of the Iraqi parliament's Defense and Security Committee, Hadi al-Ameri, said. Ameri added that Iraq will seek restitution through the MFA if the British firm is found liable.

# ECONOMIC – Oil



## Crude Oil Update:

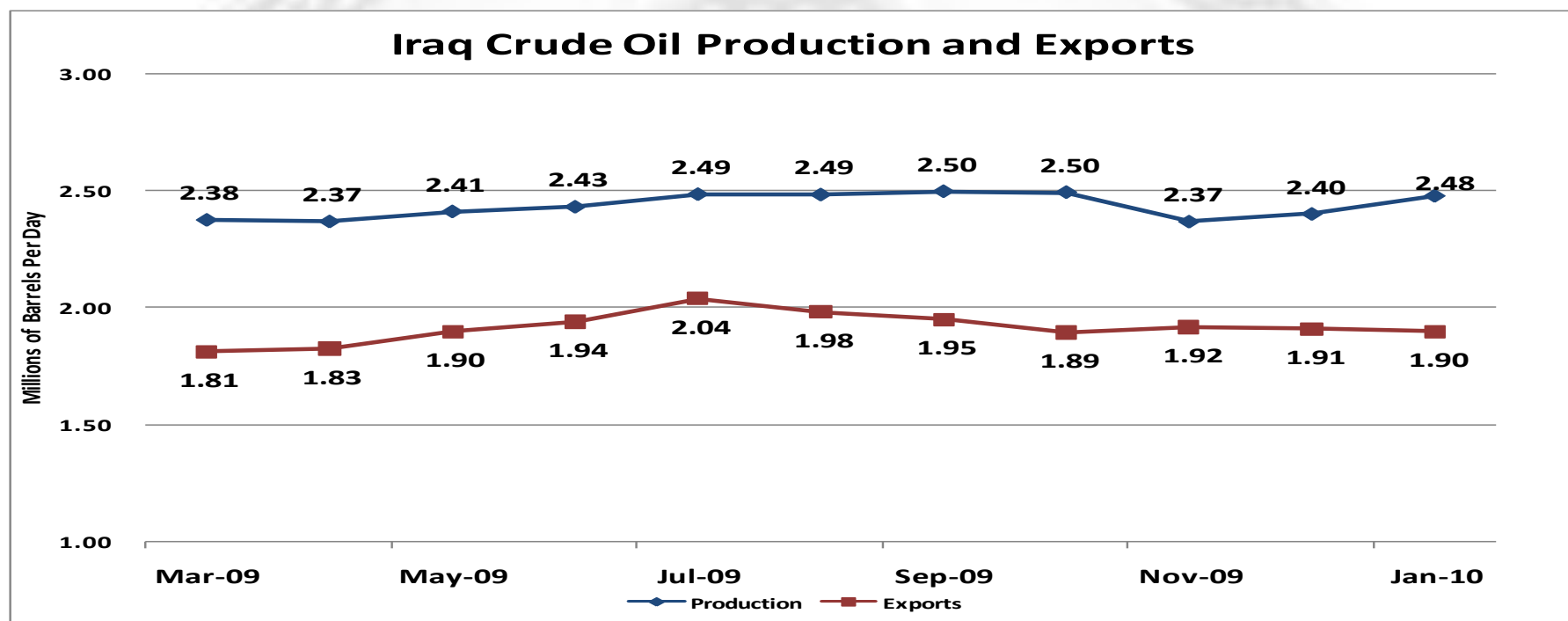
*Price averages in world markets closed with the following prices:*

Basrah Light at \$72.86 /barrel

Dated Brent at \$74.87/barrel

WTI Cushing at \$76.67/barrel

Oman/Dubai at \$76.15/barrel



## Revenue estimates:

**2008: \$61.9 Billion**

**2009: \$ 39.2 Billion**

**2010 (ytd): \$3.1 Billion**

\*Approximate estimate.

## ECONOMIC – Oil



### Iraq's oil ministry finalizes technical service contracts

#### **Exxon Mobil and Royal Dutch Shell PLC Sign Final Deal for West Qurna Phase 1:**

- Executives from Exxon Mobil and Royal Dutch Shell PLC met with Iraqi oil ministry officials in Baghdad on January 25 to finalize the contract for the redevelopment of the West Qurna Phase 1 oil field. Exxon owns a larger share of the venture at 80% while Shell holds the remaining 20%. Exxon projects oil production levels will increase to 2.325 million bpd, nearly eight times the current levels, within seven years. The contract marks the first time a U.S. oil firm has been permitted into Iraq's oil fields since the invasion in 2003.

#### **Other Contracts Are Finalized:**

- Italy's Eni SpA, U.S. firm Occidental Petroleum Corporation, and the Korea Gas Corporation finalized deals with Iraq to begin developing the 4.1 billion barrel Zubair oil field. Angola's Sonangol finalized two contracts for the two small fields of Najma and Qayara on January 26. Both fields are located in Ninewa province, noted for a large active population of Sunni insurgents.

## ECONOMIC – Oil



### Iraq's oil ministry finalizes technical service contracts

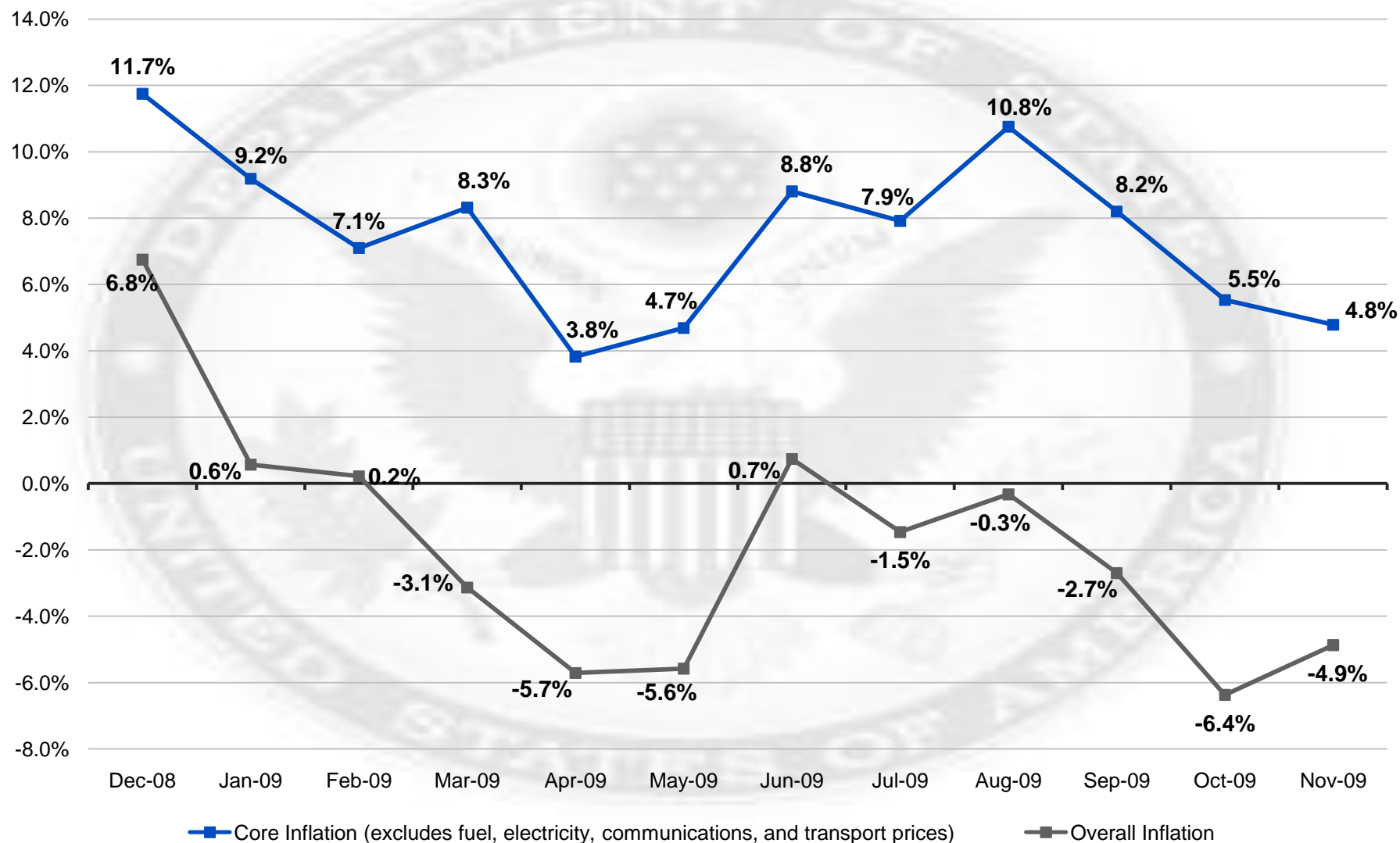
#### **Oil Exports and Revenues Increase in the Fourth Quarter of 2009:**

- The Oil Ministry reported that Iraqi oil exports increased 8.5% while revenues increased by nearly 43% in the last quarter of 2009. Analysts indicate that the increase in revenue can be explained by the return of normal oil prices after the global economic crisis of 2008.

# ECONOMIC - Fiscal and Monetary Affairs



## Year-on-Year Inflation



## ECONOMIC – Fiscal and Monetary Affairs



The Iraqi parliament passed the 2010 budget

Economic Indicator	This Week	Last Week	Last Month	Last Year
<b>Iraqi Commercial Bond Sales</b>				
Price (USD)	\$81.43	\$83.31	\$76.56	\$64.50
Yield	7.73%	7.51%	8.36%	10.32%

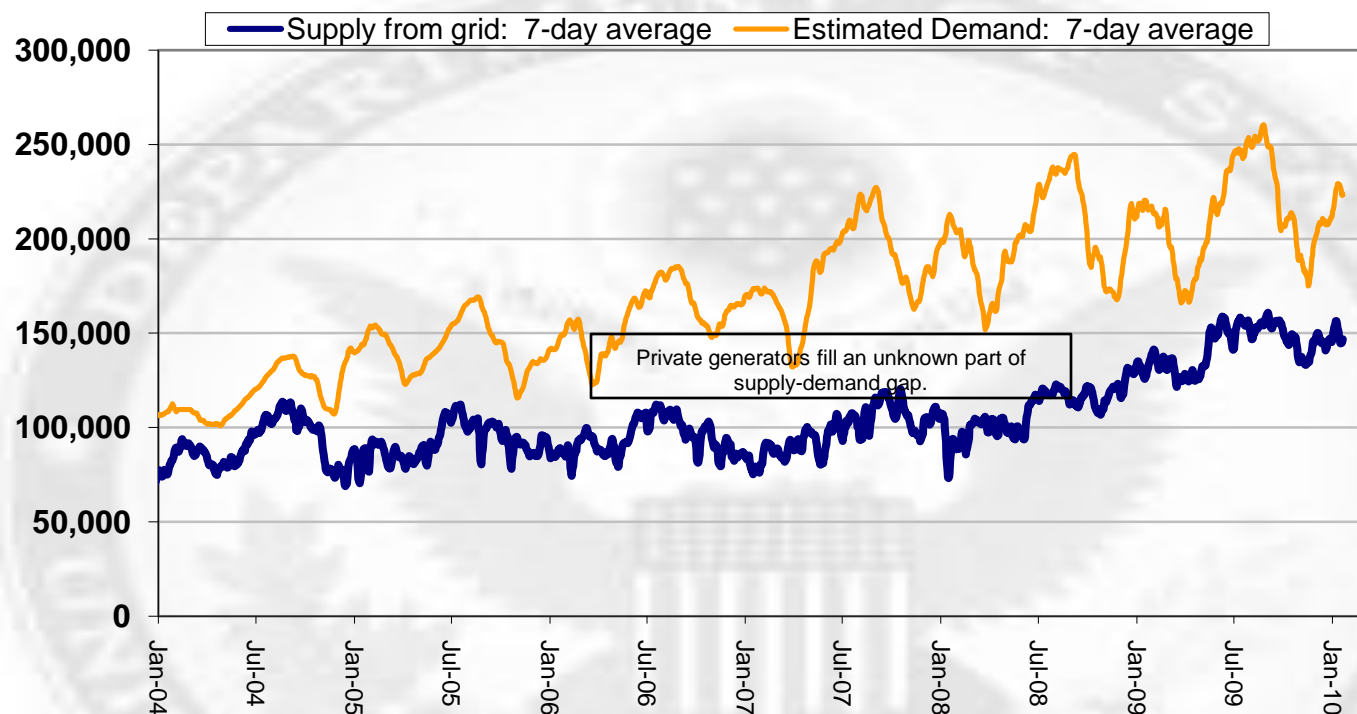
### Iraqi Parliament Passed 2010 Budget:

- Iraq's parliament passed a \$72.4 billion budget for 2010 on January 26. The 2010 budget represents a 23% increase over the 2009 budget. The bulk of the increase comes in the capital investment budget, which increased from \$12.7 billion in 2009 to \$20.2 billion in 2010. The 2010 budget projects revenues at \$52.8 billion, over 90% of which is derived from oil sales. This leaves a projected deficit of \$19.6 billion.

## Public Services – Electricity



### Daily Electricity Supply and Estimated Demand



- Electricity supply from the grid January 14-20 was 13% above the same period in 2008 and met 66% of estimated demand, compared with 60% for the year-earlier period.
- Estimated 2009 average hours of power after meeting demand from essential services: Iraq 15.3 and Baghdad 15.7. For 2008: Iraq 11.6 and Baghdad 10.8.

## DIPLOMATIC – Political Engagement



Iraq attempts to bolster bilateral cooperation with regional neighbors

### Hakim Visits Lebanon:

- The head of the Islamic Supreme Council of Iraq (ISCI), Ammar al-Hakim, visited Lebanon to meet with Lebanese lawmakers including President Michel Sleiman. His visit to Beirut is part of a regional tour.

## Beyond Baghdad



Children from the city of Samawah in Muthanna province play in the new Al Jarbo'eya Family Park

### *Muthanna*

**“...we will help Iraq's institutions strengthen their capacity to protect the rule of law, confront corruption, and deliver basic services.”**

*President Barack Obama*

### *Recent Highlights*

On January 17 PRT Muthanna assisted with the opening of the new Al Jarbo'eya Family Park in the city of Samawah. The park which was built through the collaborative efforts of the PRT, a Community Action Group consisting of 12 elected Iraqi citizens, and the municipal government, is large enough to accommodate up to 1000 of the neighborhood children and is built on what used to be an empty lot strewn with trash. While some of the funding was provided by USAID, the municipal government supplied 70% of the resources needed to build the park and has allocated additional funding for its maintenance. City officials hope the park will provide a safe environment for the city's children to play and deter crime in the area.

### *Diyala*

PRT Diyala and several hundred individuals attended a reconciliation conference in Baqubah on January 13. The majority of attendees were tribal sheikhs from the region; other participants included the Governor, Provincial Council members and several Director Generals. There were a number of conference highlights including a call from the Chairman of the Prime Minister's National Reconciliation Committee (IFNCR) on the sheikhs to establish their own Tribal Reconciliation Committee focusing on the return of IDPs. Participants also agreed to the formation of a committee designed to settle tribal and land disputes, and the creation of a judicial committee to address the issue of individuals detained on terrorism charges.



## CONTACT INFORMATION

**This brief draws from multiple sources. References are cited on the following pages.**

**For additional information, please see:**

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<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of State, Section 1227 Report on Iraq  
<http://2001-2009.state.gov/p/nea/rls/rpt/>
- Department of Defense, Section 9010 Measuring Stability and Security in Iraq  
[http://www.defenselink.mil/home/features/Iraq\\_Reports/index.html](http://www.defenselink.mil/home/features/Iraq_Reports/index.html)

**Please forward all questions and/or comments to:**

**[NEA-I-IPOG-DL@state.gov](mailto:NEA-I-IPOG-DL@state.gov)**



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- Canadian Business, January 21, 2010, [http://www.canadianbusiness.com/markets/market\\_news/article.jsp?content=D9DC5VUO0](http://www.canadianbusiness.com/markets/market_news/article.jsp?content=D9DC5VUO0)



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- Aswat al-Iraq, January 20, <http://en.aswataliraq.info/?p=125564> UPI.com, January 19, [http://www.upi.com/Top\\_News/Special/2010/01/19/SIICs-Hakim-in-Beirut-on-regional-tour/UPI-78021263951704/](http://www.upi.com/Top_News/Special/2010/01/19/SIICs-Hakim-in-Beirut-on-regional-tour/UPI-78021263951704/)

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- [http://iraq.usembassy.gov/prt\\_muthanna011710.html](http://iraq.usembassy.gov/prt_muthanna011710.html)
- PRT Weekly Summary 01-17-2010 - 01-23-2010
- Source for President Obama's Quote: [http://www.whitehouse.gov/the\\_press\\_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/](http://www.whitehouse.gov/the_press_office/Remarks-of-President-Barack-Obama-Responsibly-Ending-the-War-in-Iraq/)